

State of California
BOARD OF EQUALIZATION
SALES AND USE TAX REGULATIONS

Regulation 1549. FUR REPAIRERS, ALTERERS AND REMODELERS.

Reference: Sections 6006, 6015, Revenue and Taxation Code.
Fur dressers and dyers, see Regulation 1531.

(a) IN GENERAL. Repairers, alterers, and remodelers of furs are retailers of the fur sold in connection with repairing, altering, and remodeling of fur garments.

Fur repairers, alterers, and remodelers must segregate on the invoices presented to their customers and in their records the fair retail selling price of the fur furnished by them, from the charges for the labor of repairing, altering, or remodeling the fur garment. If the retailer does not make a segregation of these charges, the retail selling price of the fur will be determined by the Board based on information available to it.

The repairers, alterers, and remodelers are the consumers of the thread, buttons, lining, and materials other than fur used in connection with such repairing, altering, and remodeling unless a separate charge for such property is made on the invoices to the customers at the fair retail selling price, in which case they are the retailers of the property.

(b) FABRICATION LABOR. Where the services performed on the fur garment by repairers, alterers, or remodelers result in producing, processing, or fabricating tangible personal property or are a step in producing, processing, or fabricating tangible personal property, the entire charge, including fabrication labor and materials, is subject to tax.

(c) EXAMPLES OF THE APPLICATION OF TAX UNDER SPECIFIC CIRCUMSTANCES. Listed below are 12 situations involving the measure of taxability on repairing or remodeling fur garments. The answer "Repair" indicates that the tax applies to the retail selling price of materials furnished by the furrier. The answer "Taxable" indicates that the total charge is subject to tax.

- (1) A customer brings in a fur coat and requests that it be restyled as a coat.—Repair.
- (2) A customer brings in a coat and requests that it be remodeled into a jacket.—Repair.
- (3) A customer brings in a coat and requests that it be made into a cape.—Taxable.
- (4) A customer brings in a coat and requests that it be made into a stole.—Taxable.
- (5) A customer brings in a jacket and requests that it be remodeled into a cape.—Taxable.
- (6) A customer brings in a jacket and requests that it be remodeled into a stole.—Taxable.
- (7) A customer brings in a cape and requests that it be remodeled into a stole.—Repair.
- (8) A customer brings in a stole and requests that it be remodeled into a cape.—Repair.
- (9) A customer brings in a coat and requests that it be remodeled, and it is necessary to use additional fur to add collar or cuffs which have not heretofore existed on the coat.—Repair.
- (10) A customer comes in and requests that a garment be relined.—Repair.
- (11) A customer comes in with an animal scarf and requests that the scarf be restyled into a new style animal scarf.—Repair.
- (12) A customer brings in an animal scarf and requests that be remodeled into a stole or cape.—Taxable.

Regulation 1549. *(Continued)*

History: Effective August 1, 1933.

Adopted as of January 1, 1945, as a restatement of previous rulings.

Amended by renumbering August 5, 1969, effective September 6, 1969.

Amended September 28, 1977, effective November 25, 1977. Required separation of material and labor on bill. Clarified fabrication labor.

Amended December 7, 1978, effective February 18, 1979. Deletes language on excess tax reimbursement from Section (a).

Regulations are issued by the State Board of Equalization to implement, interpret or make specific provisions of the California Sales and Use Tax Law and to aid in the administration and enforcement of that law. If you are in doubt about how the Sales and Use Tax Law applies to your specific activity or transaction, you should write the nearest State Board of Equalization office. Requests for advice regarding a specific activity or transaction should be in writing and should fully describe the facts and circumstances of the activity or transaction.